

**BEFORE THE
U.S. DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.**

Joint Application of

American Airlines, Inc.

and

Philippine Airlines, Inc.

For statements of authorization under 14 C.F.R. Part 212 (reciprocal codesharing) and exemptions pursuant to 49 U.S.C. § 40109

Docket DOT-OST-2020-0033

Application of

American Airlines, Inc.

For an amended exemption under 49 U.S.C. § 40109 (third-country codesharing authority)

Docket DOT-OST-2009-0337

**JOINT MOTION OF AMERICAN AIRLINES AND PHILIPPINE AIRLINES
FOR IMMEDIATE ISSUANCE OF STATEMENTS OF AUTHORIZATION AND EXEMPTIONS**

Communications about this document should be sent to:

Robert A. Wirick
Managing Director
John B. Williams
Senior Analyst
International Government Affairs
American Airlines, Inc.
1200 17th St., NW, Suite 400
Washington, DC 20036
(682) 278-0096
robert.wirick@aa.com
john.b.williams@aa.com

Robert E. Cohn
Patrick R. Rizzi
Hogan Lovells US LLP
555 13th St., NW
Washington, DC 20004
robert.cohn@hoganlovells.com
patrick.rizzi@hoganlovells.com
Counsel for Philippine Airlines, Inc.

Ma. Clara C. De Castro
VP-Legal
Philippine Airlines, Inc.
5th Floor PNB Financial Center
President Diosdado Macapagal Boulevard
Pasay City, Philippines 1300

December 21, 2021

**BEFORE THE
U.S. DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.**

Joint Application of:

American Airlines, Inc.

and

Philippine Airlines, Inc.

For statements of authorization under 14 C.F.R. Part 212 (reciprocal codesharing) and exemptions pursuant to 49 U.S.C. § 40109

Docket DOT-OST-2020-0033

Application of:

American Airlines, Inc.

For an amended exemption under 49 U.S.C. § 40109 (third-country codesharing authority)

Docket DOT-OST-2009-0337

December 21, 2021

**JOINT MOTION OF AMERICAN AIRLINES AND PHILIPPINE AIRLINES
FOR IMMEDIATE ISSUANCE OF STATEMENTS OF AUTHORIZATION AND EXEMPTIONS**

Pursuant to Part 302 of the Department's regulations, American Airlines, Inc. (and its affiliates, Envoy Air, Inc., PSA Airlines, Inc. and Piedmont Airlines, Inc.) ("American") and Philippine Airlines, Inc. ("PAL"), (together, the "Joint Applicants") hereby request immediate issuance of their long-pending statements of authorization and exemptions in the above-referenced dockets so that they can implement reciprocal codeshare services and begin offering beneficial new online services between the United States and the Philippines, via intermediate points, and points beyond listed in Annex B of their Codeshare Agreement.¹ The Joint Applicants understand that United Airlines ("United") has now received the number of slots at Manila Ninoy Aquino International Airport (MNL) that it had requested for Summer 2022 from

¹ The Codeshare Agreement was provided as Exhibit 1 to the Joint Application.

the independent slot coordinator. Therefore, there is no longer any reasonable basis to continue deferring action on the Joint Application.

In further support of this Joint Motion, the Joint Applicants state:

1. American and PAL filed their Joint Application for statements of authorization and exemptions to engage in reciprocal codesharing on March 17, 2020, nearly two years ago. On March 26, 2020, United filed an answer urging the Department to defer action on the Joint Application until United's alleged "access issues at Manila have been resolved." The Joint Applicants filed a reply on April 6, 2020, addressing each of United's allegations, but the Joint Application has nonetheless remained pending since then.

2. MNL is classified under IATA Worldwide Slot Guidelines as a Level 3 Airport (*i.e.*, an airport where it is necessary for all airlines and aircraft operators to have a slot allocated for each arrival and departure during specific periods). Airport Coordination Australia ("ACA"), a private entity, performs slot allocation at the airport following the slot-allocation process specified in the IATA Worldwide Slot Guidelines, which were created by the aviation industry. PAL and American have no control or influence over slot allocations at MNL, and PAL has been denied requested slots on multiple occasions. Moreover, this structure provides U.S. and Philippine airlines a fair and equal opportunity to obtain MNL slots consistent with Article 11 of the U.S.-Philippines Air Transport Services Agreement.

3. The Joint Applicants understand that for upcoming Summer 2022, United requested, and ACA allocated to United, 16 slots per week at MNL. Hence, ACA granted United the number of slots it requested. The Joint Applicants understand from ACA that United has accepted all 16 of the allocated slots.

4. Based on this recent slot allocation to United, the purported basis for United's deferral request no longer exists. The Department should immediately issue the statements of authorization and exemptions so that American and PAL can implement their reciprocal codeshare services.

5. Continuing to defer action on the Joint Application, particularly given the allocation and acceptance of all 16 MNL slots, would deprive the American traveling of important benefits from the proposed codeshare service. The AA-PAL codeshare would expand single-code service options between the U.S. and the Philippines by expanding U.S.-Philippine service to reach several mainland U.S. cities on American-operated flights (Atlanta, Denver, Houston, Las Vegas, Miami, New Orleans, Orlando, and Washington, DC).² It would also extend American's vast network to the Philippines via Honolulu, Guam, and Tokyo. This broad expansion of U.S.-Philippines single-code options will enhance competition for passenger traffic resulting in increased trade and tourism and improved consumer choice. It will also provide U.S. and Philippine consumers with expanded travel opportunities as passengers again embrace international travel and the airline industry seeks to recover as the global pandemic recedes.

6. Ongoing deferral of action would also overlook the slot-allocation process at MNL, which is based on industry consensus standards and overseen by an independent Australian airport coordinator, a process over which PAL and American have no influence. It would be a disproportionate and asymmetrical reaction that deprives the Joint Applicants and traveling public of a significant benefit.

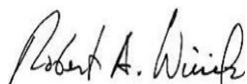
7. Finally, the authorizations and exemptions requested in the Joint Application are expressly authorized under the Air Transport Agreement between the United States and the Philippines, as explained in the Joint Application.

² Annex B of the Joint Applicants' codeshare agreement, attached to the Joint Application as Exhibit 1 in Docket DOT-OST-2020-0033 (filed March 17, 2020). See also Joint Application at 6.

Joint Motion of American Airlines and Philippine Airlines

WHEREFORE, based on the foregoing, the Joint Applicants respectfully request that the Department immediately approve the Joint Application and grant such other or additional relief as the Department may determine to be necessary and in the public interest.

Respectfully submitted,



Robert A. Wirick
Managing Director
International Government Affairs

John B. Williams
Senior Analyst
International Government Affairs
American Airlines, Inc.
1200 17th St. NW, Suite 400
Washington, DC 20036
(682) 278-0096



Robert E. Cohn
Patrick R. Rizzi
Hogan Lovells US LLP
555 13th St., NW
Washington, DC 20004

Counsel for Philippine Airlines, Inc.

Ma. Clara C. De Castro
VP-Legal
Philippine Airlines, Inc.
5th Floor PNB Financial Center
President Diosdado Macapagal Boulevard
Pasay City, Philippines 1300

CERTIFICATE OF SERVICE

I certify that, on December 21, 2021, I caused to be served a copy of the foregoing Joint Motion of American Airlines and Philippine Airlines by email upon those addressees listed below:

forsbergap@state.gov (Department of State)
yonhy@state.gov (Department of State)
williamsds3@state.gov (Department of State)
joel.szabat@dot.gov (Department of Transportation)
brian.hedberg@dot.gov (Department of Transportation)
todd.homan@dot.gov (Department of Transportation)
benjamin.taylor@dot.gov (*Department of Transportation*)
brett.kruger@dot.gov (Department of Transportation)
john.s.duncan@faa.gov (Federal Aviation Administration)
dan.weiss@united.com (United)
steve.morrissey@united.com (United)
amna.arshad@freshfields.com (Counsel for United)
chris.walker@delta.com (Delta)
steven.seiden@delta.com (Delta)
perkmann@cooley.com (Hawaiian)
dsmall@ups.com (UPS)
anita.mosner@hklaw.com (Counsel for UPS)
anne.bechdolt@fedex.com (FedEx)
sllunsford@fedex.com (FedEx)
brian.hedberg@fedex.com (FedEx)
info@airlineinfo.com